HC-KAR

NC: 2026:KHC:17636
CA No. 287 of 2025
IN COP No. 57 of 2012 & OTHERS

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 27TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE ANANT RAMANATH HEGDE

COMPANY APPLICATION NO. 287 OF 2025

IN

COMPANY PETITION NO.57 OF 2012 & OTHERS

BETWEEN:

1. STATE BANK OF INDIA,
STRESSED ASSETS MANAGEMENT BRANCH,
2ND FLOOR, OFFICE COMPLEX BUILDING, LHO
CAMPUS, NO.65, ST. MARKS ROAD,
BENGALURU - 560001,
BY ITS ASST. GENERAL MANAGER
SMT. HEMALATHA P K.

2. PUNJAB NATIONAL BANK,
A BODY CORPORATE UNDER BANKING COMPANIES
(ACQUISITION AND UNDERTAKING) ACT, 1970
HAVING ITS HEAD OFFICE AT 7,
BIKAJI CAMA PLACE, NEW DELHI-110066,
ACTING THROUGH ITS LARGE CORPORATE BRANCH
AT CENTENARY BUILDING, 28, M.G. ROAD,
BANGLORE-560001.

Digitally signed by PRAMILA G V
Location: HIGH COURT OF KARNATAKA

3. IDBI BANK LIMITED,
A COMPANY INCORPORATED UNDER
THE COMPANIES ACT 1956, AND A BANKING
COMPANY WITHING THE MEANING OF THE BANKING
REGULATION ACT, 1949 HAVING ITS OFFICE AT
IDBI TOWERS, WTC COMPLEX,
CUFFE PARED, COLABA MUMBAI -400005.

4. BANK OF BARODA,
A BODY CORPORATE UNDER BANKING COMPANIES

(ACQUISITION AND UNDERTAKING) ACT, 1970
HAVING ITS HEAD OFFICE AT BARODA HOUSE
P.B.NO.506 MANDAVI VADODARA - 396006
HAVING BRANCH AT P. O BOX NO. 11745
SAMATA BUILDING GENERAL BHOSALE MARG,
NARIMAN POINT MUMBAI-400021.

5. UNION BANK OF INDIA,
(ERSTWHILE CORPORATION BANK)
HAVING CORPORATE OFFICE AT
UNION BANK BHAVAN NO.239 VIDHAN BHAVAN,
MARG, NARIMAN POINT, MUMBAI-400021.

6. UCO BANK,
A BODY CORPORATE UNDER BANKING COMPANIES
(ACQUISITION AND UNDERTAKING) ACT, 1970 AND
HAVING ITS HEAD OFFICE AT NO.10 BTM SARANI,
KOLKATA-700001 WEST BENGAL INDIA,
HAVING ITS BRANCH OFFICE AT, 1ST FLOOR,
13/22 K.G.ROAD, BANGLORE-560009.

7. INDIAN OVERSEAS BANK,
A BODY CORPORATE UNDER BANKING COMPANIES
(ACQUISITION AND UNDERTAKING) ACT, 1970
HAVING ITS CENTRAL OFFICE AT 763,
ANNA SALAI, CHENNAI-600002
HAVING ITS BRANCH OFFICE AT
HARI KRIPA, 26A, S V ROAD, SANTACRUZ (W),
MUMBAI-400 054.

8. THE FEDERAL BANK LTD.
A COMPANY WITHIN THE MEANING
OFF THE INDIAN COMPANIES ACT 1956,
HAVING ITS REGISTERED OFFICE AT FEDERAL
TOWERS, ALLUVA -683101, KERALA,
HAVING ITS BRANCH OFFICE AT ST, MARKS ROAD,
9, HALEYON COMPLEX, ST, MARKS ROAD,
BANGLORE-560001.

9. PUNJAB AND SIND BANK,
A BODY CORPORATE UNDER BANKING COMPANIES
(ACQUISITION AND UNDERTAKING) ACT, 1970
HAVING ITS HEAD OFFICE AT 21,
RAJENDRA PALACE, NEW DELHI-110008,
HAVING BRANCH OFFICE AT J K SOMANI BUILDING,
BRITISH HOTEL LANE, FORT, MUMBAI- 400023.

10. JAMMU AND KASHMIR BANK LTD.,
A BANKING COMPANY INCORPORATED
UNDER THE PROVISIONS OF THE JAMMU AND
KASHMIR COMPANIES ACT, 1977
HAVING REGISTERED OFFICE AT CORPORATE
HEADQUARTER, MAULANA AZAD ROAD,
SRINAGAR, KASHMIR, 190001 AND ITS BRANCH
OFFICE AT SAIYAD HOUSE 124 S.V. SAVARKAR
MARG, MAHIM WEST (MUMBAI).-400016.

11. JM FINANCIAL ASSET
RECONSTRUCTION CO. PVT. LTD.
HAVING ITS REGISTERED OFFICE AT 7TH FLOOR,
CNERGY, APPASAHEB MARATHE MARG,
PRABHADEVI, MUMBAI-40002,
APPLICANTS 2 TO 11 ARE REPRESENTED BY
APPLICANT NO.1 SMT HEMALATHA P.K,
A GAM OF APPLICANT NO.1 BANK.

…APPLICANTS

(BY SRI VIKRAM HUILGOL, SENIOR COUNSEL FOR
SRI PATIL VEERENDRA CHANDRASHEKHAR, ADVOCATE)

AND:

OFFICIAL LIQUIDATOR
M/S. UNITED BREWERIES (HOLDINGS) LTD. (IN LIQN)
M/S. UNITED BREWERIES (HOLDINGS) LTD.
(IN LIQN) CORPORATE BHAVAN, NO. 26-27,
12TH FLOOR, RAHEJA TOWERS, MG ROAD,
BENGALURU - 560001.

…RESPONDENT

(BY SRI SHRISHAIL NAVALGUND, ADV. FOR OL)

THIS COMPANY APPLICATION IS FILED UNDER SECTION 151 OF CPC READ WITH RULE 6 AND 9 OF THE COMPANIES (COURT) RULES 1959 PRAYING THIS HON'BLE COURT TO DIRECT THE RESPONDENT TO DECLARE THE AMOUNTS HELD BY HIM AND CONSEQUENTLY DIRECT THE RESPONDENT TO SETTLE THE WORKMEN DUES, IN THE INTEREST OF JUSTICE AND EQUITY.

THIS APPLICATION COMING ON FOR ORDERS THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE ANANT RAMANATH HEGDE

ORAL ORDER

Heard the learned counsel for the applicants.

2. This Company Application is filed with the following prayer:

> *"Therefore, it is humbly prayed that this Hon'ble Court may kindly be pleased to direct the respondent to declare the amounts held by him and consequently direct the respondent to settle the workmen dues, in the interest of justice and equity".*

3. The application is filed by consortium of Banks led by State Bank of India. The respondent is the Official Liquidator.

4. It is not in dispute that Company by name United Breweries (Holdings) Limited went in liquidation and also one more Company named M/s.Kingfisher Airlines Limited, also went in liquidation. It is not in dispute that money was lent by consortium of Banks to the M/s.Kingfisher Airlines Limited, and United Breweries (Holdings) Limited, stood as one of the guarantors along with some other guarantors.

5. M/s.Kingfisher Airlines Limited defaulted. The consortium of Banks went for recovery by filing application before the Debt Recovery Trial. The applications were allowed and order is passed on 19.01.2017 to recover Rs.6,203.35 crore along with interest and the rate of 11.5% per annum.

6. The Recovery Officer vide Order dated 12.12.2025 on IA No.1/2025 in TRC No.39/2022 (old TRC No.255/2017) in OA No.766/2013 has passed the following order:

7. The relevant portion of the order reads as follows:

"7. The present IA filed by Certificate Holder Bank is allowed for the release of workmen dues, since the workmen dues have priority over the claim by secured creditors.

8. The Canara Bank is herby directed to close the FDs created from the sale of shares except the FDs of poundage fees & pay the entire proceeds along with interest to official liquidator in the following account:

Beneficiary Name	*Official Liquidator of M/s. Kingfisher Airlines Ltd. (in liquidation)*
Bank Name	*Punjab National Bank, Hudson circle Branch, Bengaluru*
IFSC Code	*PUNB0004100*
Account No	*0041002100027797*

9. Canara Bank should file a proper statement of account to Recovery Officer, after reimbursement of workmen dues to Official Liquidator.

10. <u>Official Liquidator is directed to pay the balance amount to the workmen dues of M/s KAL.</u>

11. State Bank of India/Official Liquidator to repay the amount released for workmen dues to Recovery Officer, if any dispute arises in future.

The date of next hearing is 23.12.2025.

A copy of this order be sent to the parties.

Given under my hand and seal of the Tribunal of the 12th day of December 2025.

(Emphasis supplied)

8. This order has attained finality. It is submitted that Rs.3,11,67,91,407/- is the amount due to the workmen of M/s.Kingfisher Airlines Limited. It is further submitted that Rs.144.24 crore is credited to the account of the Official Liquidator attached to the Company. And the application is filed with a prayer to furnish the details of the amount released to the workmen and with a direction to settle the dues of the workmen of the M/s.Kingfisher Airlines Limited.

9. Learned Senior Counsel for the applicant would submit that, since the order dated 12.12.2025 has attained finality, the order is to be given effect to settle workmen dues.

10. Learned counsel for the respondent-Official Liquidator would submit that this application should have been filed in a winding up proceeding concerning Kingfisher Airlines Ltd., and the application could not have been filed in

this Company Petition. It is submitted that, in case, the amount is to be paid to the workmen of M/s.Kingfisher Airlines Limited, then the Bank has to release the balance amount which is realised by the consortium of Bank.

11. It is also further submitted that, the amount recovered from the sale of the assets belonging to the United Breweries (Holdings) Limited cannot be appropriated towards the payment of dues to the workmen of M/s Kingfisher Airlines Ltd.

12. The Court is of the view that the applicant Banks have to furnish the details as to how much amount is recovered from the sale of the assets of United Breweries (Holdings) Limited., and sale of the assets of M/s.Kingfisher Airlines Limited in respect to the properties attached and subsequently released by the Enforcement Directorate before of the consortium of Banks. Once the details are furnished, the Official Liquidator shall disburse the amount due to the workmen of the M/s.Kingfisher Airlines Limited from the

amount received from the sale of the assets of the M/s.Kingfisher Airlines Limited.

13. It is further made clear that, since the application is made in the present Company Petition, instead of COP No.214/2012, the consortium of Bank shall not file one more application in said COP No.214/2012 for a prayer to pay the amount to the workmen of M/s.Kingfisher Airlines Limited.

14. Accordingly, the Company Application is ***allowed in part***.

Sd/-
(ANANT RAMANATH HEGDE)
JUDGE

GVP
List No.: 2